



State of Utah

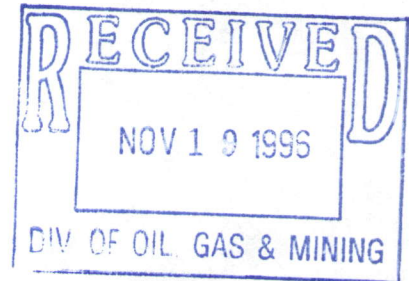
School and Institutional
TRUST LANDS ADMINISTRATION

Michael O. Leavitt
Governor

David T. Terry
Director

675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818
801-538-5100
801-355-0922 (Fax)

5/023/027



November 18, 1996

CERTIFIED NO. P 879 601 517

Feller Holding Corp.
C/O Mr. Russell Feller
445 Diagonal
St. George, UT 84770

RE: Reclamation of lands under mineral lease ML 43753--BSLS

Dear Mr. Feller,

On August 14, 1996, the director canceled the above numbered lease for Lessee's failure to provide additional bonding as requested by Lessor. Lessee on several occasions reportedly mined honey onyx from the property and Lessor holds Feller Holding Corp. responsible to reclaim the mined land disturbances. Accordingly, please immediately commence reclamation of the lands under ML 43753 (T13S, R1W, SLBM, Sec. 16: SW $\frac{1}{4}$ NE $\frac{1}{4}$).

- Remove stockpiles of ore or saleable onyx to which Lessee may claim title and pay royalty accruing to the School and Institutional Trust Lands Administration.
- Remove all trash and debris from the site.
- Push all waste rock back into the trenches and pits and grade the slopes of all high walls to not greater than 2:1.
- Level all berms and scarify the mine-site roads.
- Seed and harrow, or seed-drill, all disturbed surface areas using a mixture of drought resistant grasses at a concentration of not less than 20 pounds per acre.

Please complete all of the required reclamation work within the next 180 days. Lessee's failure to comply with the required reclamation of lands within ML 43753 may result in forfeiture of Lessee's bond, C.D. Account #3681, in the amount of \$2,500. Please contact me if you have any questions in this matter.

Sincerely,

John T. Blake
Mineral Resource Specialist

cc: J. Cooper
T. Munson

